



January 26th, 2009

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EXHIBIT 1 BOH
DATE 1-26-09
HB 215

TO: Members of the House Business and Labor Committee

FROM: Tom Altmaier, volunteer advocate AARP Montana

RE: HB 215 – Regulate refund anticipatory loans

Mr. Chairman and members of the committee, my name is Tom Altmaier and I'm a volunteer advocate for AARP Montana – a non-profit non-partisan organization of 165,000 members in this state. AARP Montana believes that protecting the consumers of Montana from predatory lending should be a major priority in these uncertain economic times.

Many of the 25,000 Montanans who receive these types of loans every year are older Montanans who do not do their own taxes. As may have been mentioned earlier, if the amount they were loaned exceeds the amount of their refund, they could be hard-pressed to find money that has already been spent. This feature could lead to future short-term high-interest loans, leading the borrower into a debt trap.

AARP Montana believes that regulating the refund anticipatory loans is a necessary part of helping consumers stay out of vicious cycles of debt. We strongly support this bill and urge do pass on this bill as part of an effort to halt predatory lending in Montana.